
Scrutiny Co-ordination Committee
Coventry Shareholder Committee

30 October 2025
4 November 2025

Name of Cabinet member: Cabinet Member for Jobs, Regeneration and Climate Change
– Councillor J O’Boyle

Director approving submission of the report:
Director of Regeneration and Economy

Ward(s) affected:
All

Title:
Strategic Energy Partnership Performance Review – 2024/25

Is this a key decision?
No

Executive summary:

The information in this report is being brought to the Coventry Shareholder Committee to enable the Council’s interest in the Strategic Energy Partnership (SEP) to be monitored as per the agreed governance process. This report provides a review of performance for 2024/25 (the first year of the Strategy Energy Partnership). Performance is reported against the Strategic Business Plan for 2024-2029 and Annual Business Plan for 2024/2025 which were both approved by the Shareholder Committee on 23 April 2024.

The fifteen-year Strategic Energy Partnership between the Council and E.ON is the first of its kind in the UK. It has the potential to put Coventry at the forefront of the UK’s clean energy transition, benefitting residents and businesses in terms of helping to lower bills, generate clean local energy and create new jobs and skills. The Council’s relationship with E.ON will help support the development of ground-breaking projects, with potential funding from E.ON as well as other sources.

The Annual Business Plan 24/25 was the SEP’s first business plan and has delivered a huge amount of activity, laying the foundation for significant impact in future years. This included creation of the Coventry Energy Plan – which provides an evidence base for the SEP to build momentum and prioritise the most impactful projects in the years ahead. In the first 18 months of the partnership 11 projects entered contract, with 22 in development, including a pipeline of innovation projects, and £1.3m in social value delivery was committed.

A pipeline of innovation programmes has been developed, and projects are underway which support the most vulnerable. This includes a battery storage and time of use tariff pilot which supported some of the most vulnerable people in Coventry to reduce their bills, and a drone energy efficiency survey pilot for 4,000 properties in Hillfields to help identify residents eligible for grant funding to improve energy efficiency.

Investment in the SEP from inception in September 2023 to March 2025 is £1.9m, taking into account development expenditure, capital expenditure, operational expenditure, grant funding, and deployment of a community benefit fund.

The resource cost of delivering all the projects from September 2023 to March 2025 cost £3.5m, however CCC contribution to this was only £0.3m because of the Partnership.

A significant requirement of the SEP is to generate community benefit. £1.3m has been committed in social value delivery including engagement with 860 school children, care leavers work placements, tree planting in Wyken and community growing projects in some of the least green parts of the city including Hillfields and Stoke.

Recommendations:

The Scrutiny Co-ordination Committee is recommended to:

- (1) Consider the report and identify any additional recommendations to the Coventry Shareholders Committee

The Coventry Shareholder Committee is recommended to:

- (1) Consider any recommendations from Scrutiny Co-ordination Committee
- (2) Receive and note the performance review of the Strategic Energy Partnership (set out in the appendix to this report) against the plan set out in the Annual Business Plan 2024-25, as per the agreed governance process which is set out in the Strategic Energy Partnership Joint Venture Contract.

List of Appendices included:

The following appendices are attached to the report:

Appendix 1: Report on Strategic Energy Partnership Activity in 2024/25

Background papers:

None

Other useful documents

Coventry Strategic Energy Partnership – Cabinet Report, August 2023

[Coventry Strategic Energy Partnership.pdf](#)

Coventry Strategic Energy Partnership – Shareholder Committee Report, April 2024

[Performance Update and Strategic Business Plan for 2024-2029 and Annual Business Plan for 2024/25](#)

Strategic Energy Partnership Strategic Business Plan summary 2024 [Performance Update and Strategic Business Plan for 2024-2029 and Annual Business Plan for 2024/25 - Appendix](#)

Coventry Strategic Energy Partnership – Shareholder Committee Report, November 2024

[Strategic Energy Partnership Performance Update - November 2024](#)

[Strategic Energy Partnership Performance Update - November 2024 - Appendix](#)

Coventry Strategic Energy Partnership – Shareholder Committee Report, March 2025

[Strategic Energy Partnership Annual Business Plan for 2025/26](#)

[Strategic Energy Partnership Annual Business Plan for 2025/26 - Appendix 1](#)

[Strategic Energy Partnership Annual Business Plan for 2025/26 - Appendix 2](#)

Climate Change Strategy 2024-2030 – Cabinet and Council Report December 2024

[Climate Change Strategy 2024-2030.pdf](#)

Has it or will it be considered by Scrutiny?

Yes – Scrutiny Co-ordination Committee – 30 October 2025

Has it or will it be considered by any other Council Committee, Advisory Panel or other body?

No

Will this report go to Council?

No

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Report title: Strategic Energy Partnership Performance Review – 2024/25

1. Context (or background)

- 1.1. The Council's Strategic Energy Partnership with E.ON is the first of its kind in the UK, providing an innovative way for the public and private sectors to work collaboratively to put Coventry at the forefront of the UK's clean power mission. This will help to create a cleaner, more secure and affordable energy supply alongside creating new industries and investment, as well as helping to protect the environment from the impacts of climate change.
- 1.2. From its inception in September 2023 to March 2025, the SEP developed the Coventry Energy Plan, which E.ON has funded to provide detailed insight into the city's energy challenges and opportunities to help focus SEP activity going forwards. This will inform a pipeline of projects as set out in Annual Business Plans to be approved by Shareholders Committee, and delivery of some projects commenced during the period. This report provides an update on performance of the SEP against the Strategic Business Plan for 2024-2029 and Annual Business Plan for 2024/2025 which were both approved by the Shareholder Committee on 23 April 2024.
- 1.3. The appendix to this report details the activities in 2024/25, capturing progress on capital projects which include Lentons Lane solar farm, solar into schools, public sector buildings (our own occupied estate) decarbonisation, and electric vehicle charging infrastructure.
- 1.4. Alongside these capital projects, there have been a number of innovation projects commenced, including Kestrix Pilot (using drones and machine learning to generate insights and efficiently focus targeted investment in energy efficiency), and Energy Digital Twin (providing insights and analysis of the energy systems in the city to improve decision making and assessment of impacts).
- 1.5. In addition, the SEP have been developing community benefit projects that deliver direct benefits to residents in Coventry which have either been delivered or underway which include Coventry Grows (a community growing programme in green deprived communities), and Adult Employability Work Experience (focussed on care leavers).
- 1.6. The appendix provides further detail of project activities and next steps to the next Shareholder Committee meeting in March 2026.

2. Options considered and recommended proposal

- 2.1. **Option 1 – Not recommended – Do nothing** – The Strategic Energy Partnership's agreed governance process and contractual commitments require updates on Strategic Energy Partnership activity to be received and noted by Coventry Shareholder Committee and this report meets this requirement.

This is not the recommended option.

- 2.2. **Option 2 – Recommended – Receive the update on Strategic Energy Partnership activity to date in 2025/26** – as per the Strategic Energy Partnership’s agreed governance process and contractual commitments, receiving and noting updates in relation to Strategic Energy Partnership activity will facilitate the Strategic Energy Partnership to continue to progress with planned activities.

3. Results of consultation undertaken

- 3.1. No consultation has been undertaken.

4. Timetable for implementing this decision

- 4.1. Upon approval of this report, the Strategic Energy Partnership will be satisfied that the Council, through an agreed governance process, has received the update on activity of Strategic Energy Partnership 2024/25.
- 4.2. Further performance updates on implementation of the Annual Business Plan 2025/26 will be provided at subsequent Coventry Shareholder Committee meetings.

5. Comments from Director of Finance and Resources and Director of Law and Governance

5.1. Financial Implications

Both SEP partners are contributing resource to the partnership. This includes a significant team of 13 FTEs from E.ON, above and beyond that to which E.ON committed in its bid, comprising a dedicated full-time team. Additionally, experts from across E.ON are brought in to support specific projects and initiatives. The Council has a minimum annual commitment of 2.5 FTEs who form the Council’s SEP project team (further detail in 6.3). This resource equates to £0.3m for the period September 2023 - March 2025 and was identified from the reallocation of existing resources as part of the initial SEP implementation in September 2023. Additional support is provided by Council officers in substantive posts as required.

The total resource cost of delivering all the projects from September 2023 to March 2025, including the £0.3m referenced above, was £3.5m.

If any SEP projects are identified as potential investment opportunities for the Council, these opportunities will be taken to Cabinet or Full Council as appropriate on a case-by-case basis, where such decision is required under the Council’s Constitution. There will be no financial obligation on the Council to invest or provide project funding as part of this report.

Where Council funding or Grant funding has been required for projects that are already in progress, this has been subject to further governance as required by the Council’s Constitution on a case-by-case basis, as set out in Appendix 1 of this report.

In addition to the £3.5m resource cost, investment in the SEP from inception in September 2023 to March 2025 was £1.9m. This includes development expenditure,

capital expenditure, operational expenditure, grant funding, and deployment of a community benefit fund.

5.2. Legal Implications

The Strategic Energy Partnership is operating under the Joint Venture Agreement which was entered into with EON UK PLC. The governance of this was set out in the approvals which came to Cabinet and Full Council on 29th August 2023 and 5th September 2023 respectively.

6. Other implications

6.1. How will this contribute to the One Coventry Plan?

<https://www.coventry.gov.uk/strategies-plans-policies/one-coventry-plan>

The Strategic Energy Partnership can contribute to all three core aims of the One Coventry Plan:

- The core focus is reducing carbon emissions and supporting the city's clean energy transition which contributes directly to tackling the causes and consequences of climate change;
- The partnership is seeking to address fuel poverty in the city, through retrofitting buildings and developing innovative solutions to help reduce energy bills for residents and address inequalities;
- The required infrastructure development to achieve the above and related jobs and supply chain implications will support economic growth, as will related support to local businesses to achieve their own carbon reduction objectives, and help to create a circular economy; and
- Social value is a key driver for the partnership and all projects have a strong focus on improving outcomes and tackling inequalities within our communities.

In addition to the above, the partnership will help support the enabling outcomes of the One Coventry Plan. The economic returns from some projects and bolstering of resource through the partnership will directly support the financial sustainability of the Council. The Partnership is a direct demonstration of the Council as a partner, leader and enabler and will likely lead to further partnering opportunities.

6.2. How is risk being managed?

The Strategic Energy Partnership contractual joint venture agreement governs development of projects from concept up to start of implementation. The primary risk is the abortion of projects at any stage in their development due to project acceptance criteria not being met. This is governed and mitigated by a clear gateway process which must demonstrate value for money alongside other key criteria including social value. This is a risk to the Council as well as E.ON, noting E.ON will bear greater development risk given the resource, expertise and investment it is bringing to the partnership.

Key partnership-level risks and the management plan for them are summarised out in the Annual Business Plan. The programme team manages those risks on an ongoing basis, and escalates as necessary.

Project-level risks (such as technical risk, planning, construction, etc) will be project specific, and will be defined, and managed through the gateway process, such that any investment decision and final business case contemplates such risks and puts in adequate measures to mitigate and/or compensate for the same. Future governance over the specific projects will contemplate and manage such risks through appropriate mitigations.

Any capital investment decisions which follow the ordinary course of governance in line with Council's Constitution will go to Cabinet and Council should any investment be required on a specific project.

6.3. What is the impact on the organisation?

As part of the Council's contractual obligations to the Strategic Energy Partnership, 2.5 full time equivalent (FTE) officers support delivery (1 Project Manager, 1 Project Officer and 0.5 Finance). New roles have been created and internal employees were appointed through a recruitment process with no backfill to the employees' previous roles. An additional dedicated resource of 1 FTE is also now supporting the partnership, funded by grant. In addition, project development requires engagement from a cross-section of employees so further upskilling opportunities exist whilst working with E.ON.

6.4. Equalities / EIA?

An Equalities Impact Assessment (EIA) was completed during the procurement process and has recently been updated to recognise any specific social value aspects which might be achieved through the partnership. Positive outcomes can be achieved for a wide range of Coventry citizens through the partnership:

- Projects which seek to improve domestic energy efficiency will reduce fuel poverty in the city;
- Increased use of renewable energy sources and creating more energy efficient buildings has the potential to lower fuel costs including for the Council which improves financial sustainability for other service areas. For citizens and businesses this improves home and business finances;
- Transport related projects will have benefits for air quality and wider health impacts through more active lifestyles; and
- Social value projects are benefitting a diverse range of local people, ranging from young people through education and events, apprenticeships and training for care givers and targeted enhancements for green space improvements to parts of the city with the poorest access to green space.

6.5. Implications for (or impact on) climate change and the environment?

The key driver for the partnership is supporting the Council to tackle the causes and consequences of climate change, as set out in the Council's Climate Change Strategy.

The Partnership will enable the Council to develop long-term local clean energy solutions that not only meet these aims but also deliver related outcomes such as improved health outcomes for citizens and increased biodiversity.

6.6. Implications for partner organisations?

The partnership is not just focussed on decarbonising the Council's estate; this is about decarbonising the city. This requires the Council and the Strategic Energy Partner to work with a range of organisations across Coventry to widen the benefits of the approach, or specific projects, to other partner organisations, businesses and communities.

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